





Delta Dental Plan of Massachusetts

Witness: Orlando  
D.T.E. 03-40  
Exhibit KEDNE/JCO-6  
Page 1 of 10

March 26, 2003

465 Medford Street  
Boston, MA 02129-1454  
Telephone 617-886-1000  
Facsimile 617-886-1199  
www.deltamass.com

Andriane Galatoulas  
Keyspan Energy Delivery  
250 Old Country Road  
Benefits Dept. - 5th Floor  
Mineola, NY 11501

Dear Andriane:

Delta Dental Plan of Massachusetts would like to thank you for choosing us as your dental benefits carrier and we look forward to continuing to serve your dental benefits needs. Attached is your renewal and contract (Attachment A) for the upcoming policy period. Please sign the contract and return it in the enclosed self addressed envelope. If you have any questions or concerns, please contact me at your earliest convenience.

Delta Dental Plan is committed to providing the highest level of quality service to you, your participating employees and their dependents. Our commitment is illustrated by our Guarantee Of Service Excellence<sup>sm</sup> program. This program guarantees our performance in seven areas of service with specific refunds if we fail to perform at the documented levels. These guarantees include problem solving within one business day; 10% cost containment, which is not shifted to the covered individual; complete and accurate identification cards within 15 days; plus others. We continue to look for ways to expand our guarantees and look to you to provide meaningful input to enable us to better serve our customers. Our goal is to be the dental plan of choice.

At the close of the current policy, you will receive results of our Guarantee Of Service Excellence for your group. If the claims turnaround guarantee is not met, you will be reimbursed for one month's administration fee at the conclusion of your contract year. If the cost containment guarantee is not met, we will reimburse you for the difference. This is our way of demonstrating our commitment to you.

Once again, thank you for your past support and business. Please let us know how we can better serve you. Delta Dental Plan values your input and your business and we continue to strive to develop a long-lasting and mutually satisfying relationship.

Sincerely,

Lauralie Wallace  
Account Executive

**Exhibit I**

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***Paid Claims***  
***01/01/02 - 12/31/02***

<b><i>Month</i></b>		<b><i>Paid Claims</i></b>
Jan-02 .....	\$	135,163
Feb-02 .....	\$	132,798
Mar-02 .....	\$	147,922
Apr-02 .....	\$	162,874
May-02 .....	\$	146,237
Jun-02 .....	\$	139,370
Jul-02 .....	\$	127,378
Aug-02 .....	\$	136,178
Sep-02 .....	\$	141,092
Oct-02 .....	\$	145,865
Nov-02 .....	\$	110,360
Dec-02 .....	\$	130,723
<b>Total .....</b>	<b>\$</b>	<b>1,655,960</b>

**Exhibit II**

***Estimated Claims***  
***01/01/03 - 12/31/03***

Twelve Months Claim Payments ending.....	December 31, 2002	\$	1,655,960
Compound Trend Factor.....			1.080
Projected Claim Payments.....		\$	1,788,437
Weighted Administrative Expense Factor.....			7.64%
Projected Claims and Administration.....		\$	1,925,073

# **Exhibit III**

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## **Monthly Census**

<b>Month</b>	<b>Individual</b>	<b>Family</b>	<b>Total</b>
Jan-02	458	1,690	2,148
Feb-02	460	1,689	2,149
Mar-02	465	1,694	2,159
Apr-02	461	1,696	2,157
May-02	468	1,701	2,169
Jun-02	469	1,699	2,168
Jul-02	469	1,700	2,169
Aug-02	476	1,710	2,186
Sep-02	462	1,691	2,153
Oct-02	463	1,685	2,148
Nov-02	463	1,679	2,142
Dec-02	461	1,682	2,143
<b>Total</b>	<b>5,575</b>	<b>20,316</b>	<b>25,891</b>
 Prior Policy Period Average	 465	 1,693	 2,158
Current Monthly Census	465	1,707	2,172
Percent Change	1%		

# Exhibit IV

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## *Current Experience*

	<i>Individual</i>	<i>Family</i>	
A- Average Monthly Eligibility	465	1,693	
B- Current Working Rates	\$ 18.13	\$ 57.46	
C- Estimated Claims Plus Administrative Expenses (AxB)x12	\$ 101,165	\$ 1,167,357	\$ 1,268,523
D- Projected Claims Plus Administrative Expenses (From Exhibit II)			\$ 1,925,073
E- Rate Modifier (D/C)			51.8%
F- Renewal Working Rates (BxE)	\$ 27.51	\$ 87.20	
G- Current Monthly Eligibility	465	1,707	2,172
H- Expected Claims Plus Administrative Expenses 01/01/03 - 12/31/03 (FxG)x12	\$ 153,506	\$ 1,786,205	1,939,711

## Exhibit V

### *Administrative Expense*

Current Administrative Expense	7.5%, 8.0%, 8.6%
Renewal Administrative Expense	7.5%, 8.0%, 8.6%

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## Exhibit VI

### *Working Rates*

	<i>Individual</i>	<i>Family</i>
Current Rates	\$ 18.13	\$ 57.46
Recommended Rates*	\$ 27.51 ✓	\$ 87.20 ✓
Percent Change	52%	

\* Rates effective January 1, 2003

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## Exhibit VII

### *2 Month Deposit Requirement*

Current	\$ 216,600
Required	\$ 323,300
Percent Change	49%

Deposit breakdown by sublocation category:

7419	\$ 3,300
7415, 7416	\$ 26,400
7417, 7422, 7424	\$ 32,800
All Others	\$ 260,800

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## **Exhibit VIII**

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### ***Calculation of Compound Trend***

Compound trend is the measure of the increase or decrease in inflation and utilization. It is based on annual trend factors observed in the experience period and projected to the renewal period. The annual trend factors are compounded based on the number of months from the midpoint of the experience period to the midpoint of the renewal pricing period. Annual trend is currently running at 8%.

Experience Period	01/01/02 - 12/31/02	Midpoint = 7/01/02		
Renewal Period	01/01/03 - 12/31/03	Midpoint = 6/30/03		
7/01/02 - 6/30/03	12 Months @8%	=	1.080	
7/01/03 - 6/30/03	0 Months @8%	=	1.000	
Total	12 Months	=	1.080	

ATTACHMENT A

For the term January 1, 2003 through December 31, 2003 the following shall apply:

Paragraph 1 - The benefits referred to in section 1.1 of this Agreement are those set forth in the following certificate(s) and rider(s):

Delta Premier II as supplemented by Riders 54, BPR78, BPR82, BPR457, BPR494, E01-002, E01-004, E08-013, E08-022

Paragraph 2 - The Company shall reimburse the Carrier for total claims paid and administration costs.

Paragraph 3 - The Company shall pay a monthly retention of 7.5%, 8.0% and 8.6%, as determined by sublocations, of total monthly claims paid by the Carrier.

Paragraph 4 - The Company shall maintain a deposit of \$ 323,300 payable on or before the due date indicated on the invoice.

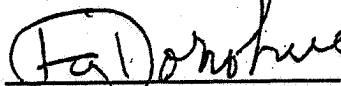
Paragraph 5 - The Company shall provide the Carrier with payment payable on or before the due date on the invoice.

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Dental Service of Massachusetts,  
Inc. d/b/a Delta Dental Plan

Company:

Key Span Energy Delivery

  
Fay Donohue

Name:

Executive Vice President

Title:

Dated: 03/26/2003

Dated:

5380



# DELTA DENTAL PLAN'S GUARANTEE OF SERVICE EXCELLENCE<sup>SM</sup>

*Delta Dental Plan of Massachusetts is committed to providing the highest level of service to all its customers. That is why we have developed one of the industry's most comprehensive service guarantees. Our Guarantee of Service Excellence guarantees quality customer service in writing and is backed by a comprehensive refund policy.*

1. **THE GUARANTEE:** Minimum 10% Savings on Massachusetts Claims over the Course of Each Policy Year.

These savings reflect the total dollar value of dentists' usual and stated fees, which are not balance billed back to patients.

**THE REFUND:** Monetary credit given to the group equal to the difference between 10% and the lesser amount actually saved.

2. **THE GUARANTEE:** No Hassle Customer Relations.

Delta Dental Plan will either resolve your question immediately over the phone or we guarantee you an initial update within one business day and continuous follow-up through to resolution.

**THE REFUND:** \$50 paid to the group per occurrence.

3. **THE GUARANTEE:** Quick Processing of Claims.

During the course of a policy year, 90% of the group's claims will be processed accurately within 15 business days upon receipt of completed claim forms.

**THE REFUND:** The administrative fee charged for the group's last month of service.

4. **THE GUARANTEE:** Smooth Conversion as Defined by the Group.

The criteria for each group's successful conversion to Delta Dental Plan is based upon a checklist that is mutually determined between the group and Delta Dental Plan.

**THE REFUND:** The administrative fee charged for the group's second month of service.

5. **THE GUARANTEE:** No Balance Billing of Patients by Participating Massachusetts Dentists.

Patients who receive treatment for covered services from a participating Massachusetts dentist will not be inappropriately billed.

**THE REFUND:** The group will be reimbursed \$50 per occurrence.

6. **THE GUARANTEE:** Accurate and Quick Turnaround of ID Cards.

A complete and accurate identification card for each subscriber will be mailed to the group or subscribers' homes within 10 business days.

**THE REFUND:** \$25 paid to the group per ID card.

7. **THE GUARANTEE:** Management Reports.

At the group's request, three standard reports (one claims report and two utilization reports) will be mailed to the group within 10 business days following the end of each month.

**THE REFUND:** \$50 per late package paid to the group.



Delta Dental Plan of Massachusetts

## **2003 Bill Run Schedule**

Billing Month	Enrollment Cut Off Date	Bill Run Date
January 2003	December 4	December 8
February	January 8	January 12
March	February 5	February 9
April	March 5	March 9
May	April 9	April 13
June	May 8	May 11
July	June 5	June 8
August	July 9	July 13
September	August 6	August 10
October	September 10	September 14
November	October 8	October 12
December	November 5	November 9

**Please forward all membership additions and changes to:**

**Delta Dental Plan of Massachusetts  
Enrollment Department  
465 Medford Street  
Boston, MA 02129**

# Delta Dental Plan of Massachusetts' New E-Business Ventures!

**ID Cards. Eligibility. Claim Status. Benefits Information.**

What do all of these things have in common? Soon you will be able to access all this information online at [www.deltamass.com](http://www.deltamass.com). We are incredibly excited about the new web-based service enhancements we have made to our web site that will give you the information you need—when you need it. The following new features will be available to you soon:



## Eligibility Inquiry

You will soon be able to view your employees' eligibility via the Internet. Current member information will be displayed along with dependent information. An option will be available to look at prior coverage history for an employee enrolled in your group plan or view coverage for enrolled employees prior to effective date.



## Benefits on the Web

Dentists will soon be able to check your employees' benefits online to determine if a procedure is covered or excluded and know the remaining balance of their patients' maximums. Later in the year, you will also have online access to your group's benefit programs, including maximums and deductibles.



## Online Eligibility Updates

In the future, we will also offer you the ability to update eligibility information via our web site.



## Claim Status on the Web

You will be able to view online the claim number, date/range of service, claim status, Delta Dental's payment on the claim and what the patient owes. There will also be links providing information on remaining deductibles or maximums available, as well as x-ray, cleaning, and exam utilization information.



## ID Cards on the Web

Through our improved web site, you will be able to request replacement ID cards for your employees. Replacement ID cards will be mailed to employees within five to ten business days.

We are excited that our new web-based initiatives will create opportunities to serve you better. We will continue to keep you informed of these services. Thank you!

[www.deltamass.com](http://www.deltamass.com) 1-800-451-1249

 **DELTA DENTAL**  
Delta Dental Plan of Massachusetts